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RUEHIT/AMCONSUL ISTANBUL 2816

C O N F I D E N T I A L ANKARA 001393

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TREASURY FOR OTI - RLOEFFLER

E.O. 12958: DECL: 06/05/2012

TAGS: [KNNP](#) [TU](#) [IR](#)

SUBJECT: STATUS OF TURKISH ACTION ON IRAN SANCTIONS, BANK
SEPAH

REF: A. SECSTATE 73587
[B](#). SECSTATE 73219
[C](#). ANKARA 1220

Classified By: Economic Counselor Tom Goldberger for
reasons 1.4(b) and (d).

[1](#). (C) Summary: Turkish MFA officials claim that Turkey is on the verge of implementing UNSCR 1737, and will then implement [1](#)1747. Turkey will report to the Security Council on the status of its implementation of 1747 once it can confirm to the UN that it has implemented 1737. In the meantime, MFA confirmed the existence of a Bank Sepah account at Turkey's Is Bank. The bank says it has effectively frozen the "minimal" balance in the account. End Summary.

[2](#). (C) We delivered refs A and B points to MFA Deputy Director General for South Asia Babur Hizlan June 4. Hizlan said that the Council of Ministers' decree necessary to implement UNSCR 1737 lacked only one minister's signature but that the minister in question was travelling outside of Turkey. He hoped and expected the decree to come into effect in a matter of days.

[3](#). (C) Hizlan reiterated that once the 1737 decree was signed, the ministry would send to the Council of Ministers a second draft decree implementing 1747. Using a similar logic, Hizlan explained that Turkey would not report on its implementation of 1747 until it was in a position to confirm to the Security Council that it had implemented 1737.

[4](#). (C) After we (again) stressed the urgency of immediate action against Bank Sepah, Hizlan said he would ask Is Bank about its reported relationship with Bank Sepah. Hizlan subsequently informed us that a Is Bank senior executive confirmed to him the existence of a Bank Sepah correspondent account with his bank. According to Hizlan, the Is Bank executive said the account had a "minimal" balance, and that Is Bank had effectively frozen all activity in the account at the time Resolution 1747 was passed by the Security Council. He said all "loopholes" were closed.

Action Request

[5](#). (C) We have raised U.S. concern about Turkey's slow implementation of 1737 and 1747 repeatedly and at all levels of the MFA. The Ambassador has raised it twice with Under Secretary (D equivalent) Ertugrul Apakan and again raised it

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June 5 with Deputy Under Secretary Feridun Sinirlioglu.

¶6. (C) We recommend Washington addressees consider calling in Turkish Ambassador Nabi Sensoy in order to underline U.S. concern and raise the profile of this issue.

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<http://www.state.sgov.gov/p/eur/ankara/>

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